

**MULTI-ANNUAL INDICATIVE PROGRAMME  
(2007 – 2010)**

**THAILAND**

<b>Country/Region</b>	<b>:</b>	<b>Thailand</b>
<b>Budget Years</b>	<b>:</b>	<b>2007 – 2010</b>
<b>Budget Line</b>	<b>:</b>	<b>1910</b>
<b>Legal Base</b>	<b>:</b>	<b>Development Co-operation Instrument</b>
<b>Cost of Order</b>	<b>:</b>	<b>€ 8 million</b>
<b>Programming Service</b>	<b>:</b>	<b>DG RELEX H/5</b>
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## **MULTI-ANNUAL INDICATIVE PROGRAMME (2007 - 2010)**

### **1. Summary of the Strategy Paper for Thailand (2007 - 2013)**

The present Multi-annual Indicative Programme (MIP) draws on the priorities as described in the Thailand-EC Strategy Paper (SP) for the period 2007 to 2013 which in its turn takes into account the Thai policy agenda and the EC co-operation objectives and competences as well as lessons learned from previous co-operation programmes.

In the light of Thailand's advanced level of socio-economic development, the nature of Thai-EC relations has over the years changed from a traditional donor-recipient relationship towards a true partnership for development. Consequently, the EC no longer sees its role as a donor of development assistance but rather as a facilitator of knowledge sharing and a partner for substantive policy dialogue on key sectoral issues.

In this context, the future Thai-EC partnership will concentrate on co-operation in a wide range of areas of mutual interest included in the draft bilateral Co-operation and Partnership Agreement. To that end, it is proposed to create a Thai-EC Co-operation Facility to provide for targeted EC support for strategic interventions on a demand-driven basis. The focal areas under the Bilateral Partnership and Co-operation Agreement shall be entitled to receive financial support under this facility. The financial allocation for the 2007 – 2010 period is € 8 million. EC assistance in the future Thai-EC partnership will be complemented by a range of actions and support received through thematic and regional budget lines.

Coherence of EU policies and complementarity within the EU and with other development partners will be pursued in all areas of co-operation. Close co-ordination among EU partners on the ground will contribute to greater effectiveness and efficiency and to increased EU visibility in Thailand.

### **2. Multi-annual Indicative Programme (2007 - 2010)**

During the period covered by the Multi-annual Indicative Programme (2007-2010), an indicative allocation of € 8 million will be committed to EU-Thailand bilateral co-operation, in addition to resources available under the existing thematic and regional programmes. This indication does not pre-empt the powers of the European Union's budgetary authorities.

The allocation will be fully dedicated to a **Thai-EC Co-operation Facility** to cover areas of co-operation as outlined in the draft Partnership and Co-operation Agreement between Thailand and the European Union.

#### ***2.1 Focal Area 1: Thai-EC Co-operation Facility***

##### ***2.1.1 Main priorities and goals***

As set out in the draft Partnership and Co-operation Agreement between Thailand and the European Union, both partners have confirmed the high interest in deepening and

diversifying their relations and enhancing co-operation a wide range of areas of mutual interest. In line with the maturing Thai-EC relationship, the mode of co-operation has shifted away from a traditional project-based approach to an enhanced policy dialogue between equal partners.

Given the small budget allocation available for co-operation with Thailand, reflecting the country's advanced level of development, the funding of large-scale bilateral projects is neither possible nor considered appropriate as it would not ensure the coverage of the various sectors considered mutually beneficial for co-operation.

Hence there is the need for an innovative financing instrument which provides for the flexible allocation of limited resources to small but strategic projects in selected areas and the involvement of a broad range of Thai stakeholders.

The Thai-EC Co-operation Facility would allow for the provision of technical assistance in all sectors of mutual interest as mentioned in the draft Thailand-EU Partnership and Co-operation Agreement (e.g. macro-economic policy and financial institutions, industrial policy and SMEs, information society, science and technology, energy, transport, education and culture, environment and natural resources, agriculture and rural development, health, statistics, justice, freedom and security issues, data protection, etc). Targeted EC support could be provided for focused interventions on a demand-driven basis. A significant proportion of the funding allocation will continue to be devoted to economic co-operation (trade related technical assistance).

The advantage of this Facility lies in the increased flexibility to leverage meaningful and highly visible activities as needed and would allow the EC to respond quickly to new challenges and opportunities as they arise in an evolving and dynamic Thai-EC relationship.

### *2.1.2 Specific objectives and target beneficiaries*

The overall objective of the Thai-EC Co-operation Facility is to contribute to the strengthening and diversification of the partnership between the European Commission and Thailand in line with the draft Partnership and Co-operation Agreement.

Specifically, the Facility will aim at:

- Advancing constructive dialogue and stimulating co-operation in a wide range of areas of mutual interest
- Facilitating trade and investment flows between the EU and Thailand, consistent and complementary with on-going and future regional EC-ASEAN initiatives
- Enhancing Thailand's participation in regional co-operation activities

- Raising the profile and visibility of Thailand and the European Union in each others' regions, preferably by joint initiatives

Major emphasis will continue to be placed on economic co-operation in areas of mutual interest to reflect the growing importance of economic relations between the EU and Thailand. Priority will be given to the provision of trade - and investment-related technical assistance and capacity building in selected areas including customs co-operation and those outlined in the Doha Ministerial Declaration, as well as issues which may be relevant for potential EU-ASEAN FTA negotiations, and assisting Thailand to participate fully in regional economic integration. Emphasis will be placed on supporting Thailand's economic reforms and international competitiveness and providing assistance in the implementation of the Doha work programme. Support will also be provided to the Thai administration and companies to adapt to developments in EU legislation as well as to meet mandatory and voluntary market requirements (e.g. food safety, core labour rights and standards, environmental regulations, industrial standards, consumer protection, customs co-operation, air and maritime transport, IPRs, GMOs, labelling, CSR etc) which may affect bilateral trade relations.

In line with priorities of the Thai government, the facilitation of knowledge flows and collaboration in science, technology, research and higher education will be another key area under this Facility. Activities could focus on encouraging exchange of information, know-how and best practices in science and technology as well as promoting enduring relations between universities and the scientific communities of both partners (facilitation of joint research projects exchange of scientists, etc). Human resource development and capacity building in the form of training courses, seminars and conferences are, among others, essential elements for fostering innovation and achieving knowledge-based growth.

Finally, activities fostering a constructive dialogue in inter-related areas such as good governance, human rights, mine action, migration and international organised crime (including the illicit trafficking and spread of small arms and light weapons) can be considered for support under the Thailand-EC Co-operation Facility.

With regard to environment, co-operation efforts will primarily focus on environmental activities that impact on Thai-EU trade relations. This is in line with the major EC objectives as outlined in the current Strategic Guidelines<sup>1</sup> and corresponds to Thai co-operation priorities. For instance, technical assistance can be provided for Thai companies in view of enabling them to comply with European environmental requirements, such as the Waste Electrical and Electronic Equipment (WEEE) Directive, the Restriction of the use of certain Hazardous Substances (ROHS) Directive or the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Directive.

Environmental co-operation will also focus on facilitating the implementation of Multilateral Environmental Agreements (MEAs) especially in the field of biodiversity protection, climate change, energy efficiency, and chemicals management.

<sup>1</sup> Strategic Guidelines and priorities for intervention to be financed in 2005 and 2006, under regulation (EC) No. 2493/2000 of the European Parliament and of the Council on Measures to promote environment in developing countries.

In addition to these potential priority areas, any other area of strategic importance and mutual interest to both partners as outlined in the future Partnership and Co-operation Agreement is eligible for funding in the framework of Calls for Proposals.

The design of this financing instrument would incorporate several thematic Calls for Proposals according to the needs expressed by both partners and would allow the involvement of a multi-faceted range of implementing partners and beneficiary institutions.

### *2.1.3 Expected results (outputs)*

Through the implementation of this Facility, it is expected to support and facilitate strategic activities that would contribute to:

- Enhanced Thai-EC relations, notably in the area of trade and investment, science, technology, research and higher education and in other selected sectors of mutual interest;
- Strengthened links between Thai and EU entities (e.g. business associations, public administration, universities and research institutions, civil society);
- Improved capacity of Thai institutions in selected areas in view of advancing the country's national development agenda;
- Improved governance, human security and human rights' situation.

In order to reach the above objectives, the Thai-EC Co-operation Facility will support activities if they are strategic in nature and have a European dimension, *inter alia* by involving qualified European institutions and expertise. The potential areas of co-operation eligible for support under the Facility are manifold and correspond to those outlined in the draft Partnership and Co-operation Agreement.

Activities funded may take the form of:

- Technical assistance and capacity building
- Conferences, seminars, studies, workshops, exhibitions, dissemination of information and networking activities
- Training activities including study visits and exchanges of experts
- Other activities found suitable to promote EU and Thai best practice and increase EU visibility in Thailand and vice versa

The final project selection and the design of an appropriate performance measurement framework will be undertaken by the EC Delegation in Bangkok at the identification and appraisal stages for each thematic Call for Proposals.

Tentatively, indicators may include the following:

- Number of government officials and organisations participating in technical assistance and capacity building activities on new EC legislation;
- Number of facilitated contacts and joint activities between the EU's and Thailand's scientific and academic communities;

- Number and quality of workshops supported;
- Number of studies and research reports produced.

#### *2.1.4 Programmes to be implemented in pursuit of these objectives and the type of assistance to be provided*

The Commission intends to allocate funding available under the Thai-EC Co-operation Facility through grants, on the basis of published Calls for Proposals. The selected projects must be of strategic importance and mutual interest to Thailand and the European Union in the sectors covered by the respective Call for Proposals (e.g. trade and investment, scientific and technology co-operation, higher education, human rights, etc). The types of activities which will be eligible for funding include conferences, seminars and workshops (excluding individual scholarships); studies; media events and media products; training, educational and capacity building activities; business-related research activities; and other activities that promote best practice from the EU and Thailand.

Funds will also be allocated via *ad hoc* activities (technical assistance to government or organisation of seminars / workshops) when the Commission needs to act outside the scope of the Calls for Proposals mechanism in cases where urgent action is required, or where strategic issues are not adequately covered in applications submitted.

#### *2.1.5 Integration of cross-cutting themes*

Good Governance, gender equality and environmental protection will be key cross-cutting themes that will be systematically mainstreamed into any activities financed under the Thai-EC Co-operation Facility.

#### *2.1.6 Financial envelopes*

It is foreseen to allocate € 8 million to the Thai-EC Co-operation Facility for the period covered by this MIP. The Facility will be managed locally by the EC Delegation in Bangkok.

While 75 % of the available funds will be implemented through thematic Calls for Proposals on a demand-driven basis, it is foreseen to allow for the remaining 25 % of financial resources to be allocated directly by the EC Delegation in Bangkok in order to provide limited *ad hoc* short-term technical assistance and organise capacity building activities in cases where urgent targeted action is needed, or where strategic issues are not adequately covered in applications submitted.

#### *2.1.7 Indicative timeframe*

The Thai-EC Co-operation Facility would be established in end 2007. Project duration would be four years.

### *2.1.8 Activities under other EC budgetary instruments in Thailand*

Thai institutions are also eligible to participate in the European Commission's regional and thematic programmes which will complement the bilateral Thai-EC Co-operation Facility. Under the EC's regional and thematic programmes, support could be provided for activities regarding democracy and human rights, human and social development, environment, civil society strengthening, decentralised co-operation, migration, higher education and uprooted people.

Participation of Thai researchers and research institutions are welcome in all parts of the 7<sup>th</sup> EU Framework Programme for Research, Technological Development and Demonstration Activities, including networking and exchange of researchers.